



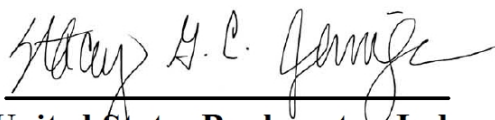
CLERK, U.S. BANKRUPTCY COURT
NORTHERN DISTRICT OF TEXAS

ENTERED

THE DATE OF ENTRY IS ON
THE COURT'S DOCKET

The following constitutes the ruling of the court and has the force and effect therein described.

Signed January 13, 2021


United States Bankruptcy Judge

IN THE UNITED STATES BANKRUPTCY COURT
FOR THE NORTHERN DISTRICT OF TEXAS
DALLAS DIVISION

In re:

HIGHLAND CAPITAL MANAGEMENT, L.P.,¹

Debtor.

HIGHLAND CAPITAL MANAGEMENT, L.P.,

Plaintiff,

vs.

HIGHLAND CAPITAL MANAGEMENT FUND
ADVISORS, L.P., NEXPOINT ADVISORS, L.P.,
HIGHLAND INCOME FUND, NEXPOINT
STRATEGIC OPPORTUNITIES FUND,
NEXPOINT CAPITAL, INC., AND CLO
HOLDCO, LTD,

Defendants.

§
§ Chapter 11
§
§ Case No. 19-34054-sgj11
§
§
§
§ Adversary Proceeding No.
§
§ 21-03000-sgj
§
§
§
§
§
§
§
§

¹ The Debtor's last four digits of its taxpayer identification number are (6725). The headquarters and service address for the above-captioned Debtor is 300 Crescent Court, Suite 700, Dallas, TX 75201.

**AGREED ORDER GRANTING DEBTOR’S MOTION FOR A TEMPORARY
RESTRAINING ORDER AGAINST CERTAIN ENTITIES OWNED AND/OR
CONTROLLED BY MR. JAMES DONDERO**

The parties subject to this Temporary Restraining Order are: (1) Highland Capital Management Fund Advisors, L.P., (2) NexPoint Advisors, L.P., (3) Highland Income Fund, (4) NexPoint Strategic Opportunities Fund, (5) NexPoint Capital, Inc., and (6) CLO Holdco, Ltd. (collectively, the “Defendants”).

Having considered (a) the pleadings filed in this adversary proceeding and in the Debtor's bankruptcy case; and (b) the agreement of the Debtor and the Defendants to the form and substance of this Order; and this Court having jurisdiction over this matter pursuant to 28 U.S.C. §§ 157 and 1334; and this Court having found that this is a core proceeding pursuant to 28 U.S.C. § 157(b)(2); and this Court having found that venue of this proceeding and the Motion in this District is proper pursuant to 28 U.S.C. §§ 1408 and 1409; and after due deliberation and sufficient cause appearing therefor and for the reasons set forth in the record on this Motion, it is **HEREBY ORDERED THAT:**

1. The Motion is **GRANTED** as set forth herein.
2. The Defendants are temporarily enjoined and restrained from: (a) interfering with or otherwise impeding, directly or indirectly, the Debtor’s business, including but not limited to the Debtor’s (i) management of the CLOs, (ii) decisions concerning the purchase or sale of any assets on behalf of the CLOs, or (iii) contractual rights to serve as the CLOs’ portfolio manager (or other similar title); (b) otherwise violating section 362(a) of the Bankruptcy Code; (c) seeking to terminate the portfolio management agreements and/or servicing agreements between the Debtor and the CLOs (collectively, (a)-(c) constitute the “Prohibited Conduct”);² (d) conspiring,

² For the avoidance of doubt, this Order does not enjoin or restrain the Defendants from seeking judicial relief upon proper notice or from objecting to any motion filed in the above-referenced bankruptcy case.

colluding, or collaborating with (x) Mr. Dondero, (y) any entity owned and/or controlled by Mr. Dondero, and/or (z) any person or entity acting on behalf of Mr. Dondero or any entity owned and/or controlled by him, to, directly or indirectly, engage in any Prohibited Conduct; and (e) engaging in any Prohibited Conduct with respect to any of the Successor Parties.

3. The Defendants are directed to provide a copy of this Order to each of their respective officers, directors, employees, and agents, within twenty-four (24) hours of the Court's entry of this Order on the docket.

4. This Order shall remain in effect until the earlier of: (a) the entry by this court of an order on Debtor's motion for a preliminary injunction, a hearing on which shall be held in conjunction with the Debtor's confirmation hearing currently scheduled for January 26 through January 28, 2021, or at a date thereafter; and (b) February 15, 2021.

5. The Court shall retain exclusive jurisdiction with respect to all matters arising from or relating to the implementation, interpretation, and enforcement of this Order.

END OF ORDER

AGREED AS TO FORM AND SUBSTANCE:

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Counsel for Highland Capital Management Fund Advisors, L.P., NexPoint Advisors, L.P., Highland Income Fund, NexPoint Strategic Opportunities Fund, and NexPoint Capital, Inc.

United States Bankruptcy Court
Northern District of Texas

Highland Capital Management, L.P.,

Plaintiff

Highland Capital Management Fund Advisor,

Defendant

Adv. Proc. No. 21-03000-sgj

CERTIFICATE OF NOTICE

District/off: 0539-3

User: cecker

Page 1 of 2

Date Rcvd: Jan 13, 2021

Form ID: pdf001

Total Noticed: 5

The following symbols are used throughout this certificate:

Symbol	Definition
+	Addresses marked '+' were corrected by inserting the ZIP, adding the last four digits to complete the zip +4, or replacing an incorrect ZIP. USPS regulations require that automation-compatible mail display the correct ZIP.

Notice by first class mail was sent to the following persons/entities by the Bankruptcy Noticing Center on Jan 15, 2021:

Recip ID	Recipient Name and Address
ust	+ Cheryl Wilcoxson, US Trustee, 1100 Commerce St., Ste. 976, Dallas, TX 75242-0996
dft	+ NexPoint Advisors, L.P., K&L Gates LLP, c/o Stephen G. Topetz, 1600 K Street, NW, Washington, DC 20006-2806

TOTAL: 2

Notice by electronic transmission was sent to the following persons/entities by the Bankruptcy Noticing Center.

Electronic transmission includes sending notices via email (Email/text and Email/PDF), and electronic data interchange (EDI). Electronic transmission is in Eastern Standard Time.

Recip ID	Notice Type: Email Address	Date/Time	Recipient Name and Address
ust	+ Email/Text: ustpreion06.ty.ecf@usdoj.gov	Jan 13 2021 22:19:00	US Trustee, Office of the U.S. Trustee, 110 N. College Ave., Suite 300, Tyler, TX 75702-7231
ust	+ Email/Text: ustpreion07.hu.ecf@usdoj.gov	Jan 13 2021 22:19:00	US Trustee, Office of the US Trustee, 515 Rusk Ave, Ste 3516, Houston, TX 77002-2604
ust	+ Email/Text: ustpreion06.da.ecf@usdoj.gov	Jan 13 2021 22:19:00	United States Trustee, 1100 Commerce Street, Room 976, Dallas, TX 75242-0996

TOTAL: 3

BYPASSED RECIPIENTS

The following addresses were not sent this bankruptcy notice due to an undeliverable address, *duplicate of an address listed above, *P duplicate of a preferred address, or ## out of date forwarding orders with USPS.

Recip ID	Bypass Reason	Name and Address
ust		Sandra Nixon, U.S. Trustee
ust		mario zavalala
ust	*+	US Trustee, Office of the U.S. Trustee, 110 N. College Ave., Suite 300, Tyler, TX 75702-7231

TOTAL: 2 Undeliverable, 1 Duplicate, 0 Out of date forwarding address

NOTICE CERTIFICATION

I, Joseph Speetjens, declare under the penalty of perjury that I have sent the attached document to the above listed entities in the manner shown, and prepared the Certificate of Notice and that it is true and correct to the best of my information and belief.

Meeting of Creditor Notices only (Official Form 309): Pursuant to Fed .R. Bank. P.2002(a)(1), a notice containing the complete Social Security Number (SSN) of the debtor(s) was furnished to all parties listed. This official court copy contains the redacted SSN as required by the bankruptcy rules and the Judiciary's privacy policies.

Date: Jan 15, 2021

Signature: /s/Joseph Speetjens

District/off: 0539-3
Date Rcvd: Jan 13, 2021

User: cecker
Form ID: pdf001

Page 2 of 2
Total Noticed: 5

CM/ECF NOTICE OF ELECTRONIC FILING

The following persons/entities were sent notice through the court's CM/ECF electronic mail (Email) system on January 13, 2021 at the address(es) listed below:

Name	Email Address
Davor Rukavina	on behalf of Defendant Highland Income Fund drukavina@munsch.com
Davor Rukavina	on behalf of Defendant Highland Capital Management Fund Advisors L.P. drukavina@munsch.com
Davor Rukavina	on behalf of Defendant NexPoint Strategic Opportunities Fund drukavina@munsch.com
Davor Rukavina	on behalf of Defendant NexPoint Advisors L.P. drukavina@munsch.com
Davor Rukavina	on behalf of Defendant NexPoint Capital Inc. drukavina@munsch.com
John J. Kane	on behalf of Defendant CLO Holdco Ltd. jkane@krcl.com, ecf@krcl.com;jkane@ecf.courtdrive.com
Zachery Z. Annable	on behalf of Plaintiff Highland Capital Management L.P. zannable@haywardfirm.com

TOTAL: 7